

## **BUDGET CONSULTATION OUTCOMES**

Each year, the Council seeks to involve local residents in its budget setting process by undertaking a programme of consultation to hear the views and opinions of the local community.

This year two methods of consultation were used; firstly qualitative research in the form of workshops with representatives from a range of community groups and secondly, a quantitative research method using an online budget simulator and survey to give members of the public a wider opportunity to participate.

Feedback from last year's budget consultation exercise indicated that the consultation should be earlier in the year to increase the opportunity for public influence in this process. Therefore, this year the consultation was brought forward from November/December and took place during July and early August, with the support of the Overview and Scrutiny Committee.

### **Budget workshops – methodology**

The majority of the focus groups /workshops took place in the Council Chamber lasting between an hour and a half and two hours each. The groups comprised the following:

- Island businesses and business associations (Tuesday 3 July);
- Council staff (Friday 5 July and Friday 20 July – latter at Westridge, Ryde);
- Union representatives (Thursday 12 July);
- Voluntary and community groups; including older persons, young people, disability groups etc (Monday 16 July);
- Ward councillors (Tuesday 17 July);
- Town and parish councils (Thursday 26 July).

A total of 103 participants attended the seven events.

On arrival, those attending had the opportunity to view display boards presenting background information setting out some of the key statistics from the Island's Joint Strategic Needs Assessment and financial summaries. This was followed by an initial presentation (link) from the Chief Executive and/or other directors outlining:

- the feedback from last year's budget consultation;
- what the Council had done in response;
- what the Council has been investing in, supporting, enabling and delivering;
- the current financial position (including the sums potentially available for one-off investment this year);
- future financial position including information about changes in how council tax support will be operated locally in future, and changes to business rate collection and re-distribution.

This was followed by a question and answer session. The audience were then invited to share their thoughts and views on whether the Council's priorities were still the right ones, what was important to them, where they might choose to make savings or raise income, which of the additional budget suggestions they favoured

the most, which they would not support and any alternative ideas they wanted to put to the Council to inform its various budget meetings in August 2012.

Feedback from the session was then invited from each of the tables in turn and captured on pre-printed feedback sheets by each table. Those attending were also given the opportunity to post specific questions /ideas into a posting box if they preferred. At the end of the session, feedback was also invited on the event itself, via an evaluation form, to inform future planning. The findings revealed that, of the 78% that completed a feedback form, the vast majority felt that the workshop was an effective means of consultation, that useful information was provided before and at the event, that they felt able to openly contribute their ideas, that the budget challenges facing the council had been made clear and their views had been heard.

## **Budget workshops – key findings**

### **Council Priorities**

In general it was considered that the Council's priorities were still the right ones and were reasonable and balanced.

It was evident from the feedback that economic growth and regeneration remained a key priority amongst the majority of those attending, with business growth and investment, the upgrading of town centres, seafronts and town squares, extension of the tourist season and creation of more job opportunities a particular priority. Encouraging inward investment was also seen as important, particularly in eco-related businesses or new technology and industry but also those that could offer year-round tourist attractions.

Other important areas included addressing educational concerns, raising the aspirations of young people and generating opportunities for young people to stay on the Island by linking directly with Island businesses and creating job opportunities and apprenticeships.

Also considered important was the protection of the elderly (particularly in the light of increased numbers and associated costs), young, disabled and vulnerable people by sustaining the level of services provided. It was also felt that priority should be given to transport links for the elderly and vulnerable, and affordable housing to help the younger generation, particularly young families.

There were some differences amongst the groups concerning which priorities were more important. For example, attendees at the business workshop proposed more emphasis on releasing financial restraints and development constraints on businesses to encourage growth and investment. Those who attended the voluntary sector workshop considered there should be more focus on environmental issues and public transport and staff particularly proposed strengthening the reputation of the Island as an eco-friendly destination and doing more to attract mainland companies to set up business here.

### **Council spending**

Suggestions for directing spend echoed earlier responses particularly again around the generation of inward investment for the Island, some feeling that this should be especially in rural areas. Creating jobs and employment opportunities especially for

young people was also considered an important area of spending with some suggesting these should be more linked to farming opportunities, others to office jobs or apprenticeships. Some also suggested capital grants to encourage and support sustainability of businesses and to reduce running costs. Other suggestions included suspending car parking fees at weekends to encourage people to use town services for leisure and shopping.

There was also concern that the Council ensured spending was fairly allocated and divided equally across the Island.

Discussions around reducing Council spend were mixed but included reducing benefits by creating jobs, further Council back office staff reductions or sharing job roles with NHS, a freeze or reduction in Council Members' allowances and reducing borrowing.

It was also suggested that the Council cease to provide non-statutory services concentrating only on core services eg prioritising social care provision, care of the elderly, education, employment and the environment. It was suggested that the Council looks at delivering discretionary services through partners at reduced costs.

### **Additional budget suggestions**

Those attending the workshops were also asked to consider a range of options for one-off investment from the additional savings created this year. These had been agreed for development at a Full Council meeting in June. In addition, those attending were asked for their views about changes to council tax benefit allocations and to level of council tax itself.

Of the list of additional budget suggestions outlined, the top three most important suggestions were:

- firstly a budgeted increase in council tax of 2.5% - with some feeling that council tax freezes could not be continued indefinitely and if people wanted services then they should be prepared to pay for them.
- secondly inviting business associations to put forward ideas for enhancing the public realm in their area and
- joint third was the allocation of £300,000 to tackle youth unemployment and create new employment activities for young people; providing training/support for older people; and making a one-off funding available to support the community to take responsibility for assets and bring them up to an acceptable standard for longer-term use by the public.

The overwhelming majority did not support the allocation of capital investment for the supply of beach huts, some considering that if there was money available it should go towards replacing the lifeguards on beaches and others considering it was simply not a good use of money by the authority and/or something for the private not public sector to invest in.

### **Alternative budget suggestions**

Alternative suggestions tended to be individual rather than generating any collective themes although a thread running through some of these indicated again the focus on the investment needed to encourage inward investment and economic growth and looking at issues that might affect that - including on-Island transport and ferry

travel. These were also raised as an issue affecting Island residents especially young people.

Other suggestions included potentially asking local businesses to invest in or take on community assets. Also to work with the Chamber of Commerce to grow Island businesses and increase the export of locally produced goods and services to bring more money into the Island economy.

Some suggested encouraging young people to take up career options off the Island rather than stay here without a job drawing benefits, although others considered that more work needs to be done to offer employment opportunities here on the Island for young people.

Suggestions also included putting money into profiling the history and literary heritage of the Isle of Wight (e.g. literary festival, like the successful walking and cycling festivals), installation of solar panels on Council office buildings and reviewing the block bookings of beds at residential nursing homes where there are significant vacancies. Others suggested a one off spend for therapeutic services and more focus and investment in general for both adult and children's social care to provide help early to people to avoid increased costs associated with supporting people when they reach the point of crisis.

There were also some suggestions that the Council look at passing on some responsibilities to town and parish councils eg allotments and car parks.

In a similar vein, there was some support for outsourcing services to other local authorities, greater working with other local organisations in particular the NHS eg sharing back office functions, and developing incentives and awards for companies developing eco technology, providing a centre of excellence and offering apprenticeships in this area.

### **Online budget simulator – methodology**

The Isle of Wight Council's online budget simulator was launched on 6 July 2012 and ran until 6 August 2012. The purpose was to enable local residents to indicate their priorities for the council by increasing or decreasing spend in the range of service areas.

The online simulator was offered free of charge by central government. The layout and format of the simulator could therefore not be changed and only the options and the descriptive text could be customised. The simulator was designed to enable residents to make choices on screen by ticking boxes and moving a sliding scale. Each time a choice was made, the savings and council tax levels adjusted automatically. An indication was also given in the form of narrative text of the implications of each decision made. Decisions could be changed throughout the process. There was also a section for people to enter any additional thoughts and comments.

The opportunity to participate in the budget simulator was promoted through the local media, via the council's website and through internal communication.

## **Online budget simulator – Key findings**

In total the simulator was completed 75 times, 19 (25%) of which were from the council's IP address indicating staff responses. More men than women completed the simulator and the majority were in the 34-64 age groups.

Only three service areas showed an overall desire to increase budgets, the most popular being adult social care (+1.3%). This was closely followed by other adult services (+1.17%) then rights of way and transport (+0.12%), with all other areas showing a decrease in budget allocation.

The most significant decrease was in corporate support service areas (-5.51%) and the lowest decrease in highways (-0.07%).

The actions taken by those responding (to increase or reduce spending) resulted in just over half of those responding keeping council tax at existing levels, nearly a third reducing council tax levels versus a quarter who chose to create an increase in council tax levels. The average decrease, where relevant, was around 7.1% and the average increase, where relevant was around 3.1%.

Other suggestions were offered across a wide range of issues but because of the low numbers of respondents and the individual nature of the comments it is difficult to extract common themes. For example the highest collective suggestions were given by 8 respondents (11%) who suggested a reduction in councillors' allowances and 6 respondents (8%) who proposed reducing senior officer salaries or introducing a maximum wage limit. The majority of other suggestions made were given by one person each.

## **Online budget survey – methodology**

This year there was also a separate short online budget survey which gave residents an opportunity to comment on some of the ideas and suggestions the Council had for further investment or savings. This was included separately as the budget simulator template had some restrictions in the way it was presented. Residents were asked to complete both the budget simulator and the short online survey in order that their full views were received.

## **Online budget survey – key findings**

A total of 57 residents completed the online survey with two thirds more men than women completing the survey and the majority of those completing it falling in the 35-54 age bracket.

From the list of additional budget suggestions the majority of participants agreed;

- the Council should allocate £300,000 to a range of initiatives to help tackle youth unemployment and create new employment opportunities for young people (63%);
- the Council should invite business associations to put forward ideas for enhancing the public realm in their area (63%);

- the Council should also provide training / support for older people (over 50s) wishing to return to work, including those who may want to run their own business (46%);
- the Council should ask those who receive benefits to contribute towards their council tax to help recover the additional costs (51%), a third considering it should be a shared reduction (33%);
- the Council principles set out in December 2010 on which the future shape and structure of the organisation is being based should be supported (43%);
- a freeze in council tax levels (54%);
- the Council should consider making one-off funding available to support the community taking responsibility for assets, by helping to bring them up to an acceptable standard for longer-term use by the public (45%).

From the list of additional budget suggestions the majority of participants disagreed:

- the Council should allocate capital investment for the supply of beach huts in key locations, for a mixture of lease and rent (75%);
- the Council should commission the development and promotion of a prospectus (with the possibility of seed-funding available) to hold a community-led 'Celebrate the Isle of Wight' weekend in 2013 (63%);
- the Council should make further funding available to support the Destination Management Organisation extending the promotion of the Island to potential visitors (63%).

The most favoured option from the list of additional budget suggestions was that the council should allocate £300,000 to a range of initiatives to help tackle youth unemployment and create new employment opportunities for young people (36%). This concurs with the outcomes of the budget workshops.

The least favoured option from the list of additional budget suggestions was that the council should allocate capital investment for the supply of beach huts in key locations, for a mixture of lease and rent (36%). Again this concurs with the feedback from the budget workshops.

Alternative budget suggestions raised were mostly individual suggestions with no specific themes; however these too largely mirror the responses made at the workshop together with some more specific examples eg

- chief executive, senior directors and councillors should take pay cuts in line with budget decreases;
- the Council should provide more funding and support for vulnerable adults;
- the Council should invest in projects working with disadvantaged young people of the Isle of Wight who often fall into the NEET (Not in Employment, Education or Training) category;

## SUMMARY

The numbers taking part in the consultation were disappointing, especially in the light of timescales having been brought forward following feedback from residents last

year. However there are opportunities for members of the public to share their views in relation to specific consultations linked to proposed plans all year round as well as through the democratic processes of the Council; including Full Council, Cabinet and the various scrutiny panels and committees; and of course ultimately through participation in elections.

The medium term financial review will be discussed during September at the Cabinet and Full Council meetings. The results of the budget consultation and subsequent decisions made will then be published in the October issue of One Island magazine. This will enable residents to review the details and make further comments and suggestions to inform the remainder of the budget discussions. The final budget decisions will be made at February's Full Council as will the setting of council tax levels.

Analysis of this year's quantitative and qualitative budget consultation activities reveals that people generally feel that the Council still has the right priorities and principles and that economic regeneration, job opportunities, training and education of young people and support for the elderly and vulnerable remain of the highest importance. These areas, along with promoting inward investment and tourism were also areas where it was considered spending should be directed.

It was suggested the Council could look to reduce its spend by only concentrating on the services it must provide and seeking the help of others (local authorities, town and parish councils, partner organisations, voluntary and community groups or the private sector) to help continue a provision of other discretionary services.

The Council should also continue its focus on internal cost reductions (staffing costs, corporate support services and member associated costs) to protect frontline services.

In terms of additional one-off investment this year, the most common points for agreement were;

- the Council should allocate £300,000 to a range of initiatives to help tackle youth unemployment and create new employment opportunities for young people (64%);
- the Council should invite business associations to put forward ideas for enhancing the public realm in their area (50%);

Feedback on appropriate levels of council tax remain mixed with the majority seeking no change or seeking increases of around 2.5% but some still feeling a reduction would be preferable. It was considered by the majority that the Council should ask those who receive council tax benefit to contribute towards their council tax to recover additional costs, or at least share the cost of the reduction between the council and benefit claimant.

These consultation responses have been fully considered when shaping the recommendations for one-off expenditure contained in Appendix 3 to the main report.